

Solar Energy Incentives

Scottsdale/Phoenix Metro Region

Utility Incentives

Arizona Public Service – EPS Credit Purchase Program

Applies To: Residential and commercial customers of Arizona Public Service Co.

System Type: All electrical and water heating systems (on- and off-grid)

APS customers can receive a rebate of \$4 for each watt of rated solar electric power (DC watts) installed in a grid-tied application (or 50% of the total system cost – whichever is less) and \$2 for each watt installed in an off-grid application. You must be an existing Arizona Public Service Co. customer or your property must be located in APS service territory. A licensed electrical contractor must install the system in order to qualify for the incentive. For new solar water heater installations APS offers \$700.

Customer receives payment directly from APS once the application has been processed and approved. Funding is limited and a reservation process is in place to guarantee funds for those customers pursuing projects.

For more information, visit - www.aps.com/my_community/Solar/solar_35.html

Salt River Project – Solar Incentive Program

Applies To: Residential and commercial customers of the Salt River Project

System Type: All electrical and water heating systems (on- and off-grid)

SRP customers can receive a rebate of \$3 for each watt of rated solar electric power (DC watts) installed in a grid-tied application (up to a maximum of \$9,000 per system). You must be an existing SRP customer. A licensed electrical contractor must install the system in order to qualify for the incentive. For new solar water heater installations SRP offers \$750.

Customer receives payment directly from SRP once the application has been processed and approved. Funding is limited and a reservation process is in place to guarantee funds for those customers pursuing projects.

For more information, visit - www.srpnet.com/environment/earthwise/solar.aspx

Government Incentives

State of Arizona – Personal Income Tax Credit

Applies To: Retail sale of solar-electric systems used in residential applications

System Type: Residential on- and off-grid

Amount: 25% of system cost; \$1,000 maximum; one-time

Arizona has a personal income tax credit for residents that install a photovoltaic power system on their property. This credit applies to both on- and off-grid residences and amounts to 25% of the system price or \$1,000, whichever is less. This is a one-time tax credit and restricts the homeowner for additional credits for solar purchases made for the same residence in subsequent years.

State of Arizona – Sales Tax Exemption

The first \$5,000 of expenditures on the construction of a solar electric power system is exempt from Arizona State & County Sales Tax. The remaining balance is taxed at the standard rate for contracting services.

Note: Municipalities do not exempt solar electric power systems from sales tax.

Federal Tax Credits

	Incentive	Credit Window	Cap	Eligible Technologies
Residential credit	30%	1/1/06 - 12/31/07	\$2,000 per system/ for each solar technology	PV, solar domestic water heating (excluding pool heating)
Business credit	30%	1/1/06 - 12/31/07 at 30%; reverts to permanent 10% thereafter	No cap	PV, CSP, solar hybrid lighting, solar domestic water heating (excluding pool heating)

For Solar Energy resources, visit the AZ Solar Center web site - www.azsolarcenter.com

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